

Sensex falls over 500 points, Nifty around 18,150; Auto, Pharma drag

Domestic equity markets opened lower in Monday's trade amid weak global cues. Indian rupee opened 14 paise lower at 81.82 per dollar on against previous close of 81.68.

After witnessing four weeks of continued winning momentum, the market remained lackluster and settled with marginal losses for the week ended November 18.

At 9:42 AM, the frontline S&P BSE Sensex was trading at 61,135 down by 529 points or 0.86%. Market breadth is almost neutral and out of a total of 2,853 shares traded on the Bombay Stock Exchange, 1,404 advanced while 1,303 declined and 146 remained unchanged. The broader Nifty50 was at 18,152 levels down 155 points or 0.85%.

Broader markets, meanwhile, were volatile as Nifty Smallcap 100 index outperformed Nifty Midcap 100 index. Volatility gauge, India VIX, on the other hand, climbed over 4%.

Sectorally, Nifty Auto, Nifty Pharma, Nifty IT, and Nifty FMCG indices have dropped over 1%.

WEEKLY REVIEW – NOVEMBER 14 – NOVEMBER 18, 2022

The domestic equity barometers snapped their four-week winning streak and ended with modest losses as volatility continues to grip stocks across the globe. Broader markets continued to underperform as compared to the domestic equity benchmarks. India's better-than-expected domestic inflation numbers gave a boost to the investor sentiment. Geo-political tensions, however, remain high as Russia-Ukraine war continued unabated for thirty-eighth week.

In the week ended on Friday, 18 November 2022, the Sensex lost 131.56 points or 0.21% to settle at 61,663.48. The Nifty50 index declined 42.05 points or 0.23% to settle at 18,307.65. The Sensex and Nifty hit a 52-week high of 62052.57 and 18,442.15, respectively, on Wednesday, 16 November 2022.

The BSE Midcap index fell 1.30% to settle at 25,134.92. The BSE Smallcap index shed 0.81% to settle at 28,750.11.

Among sectoral indices on the NSE, Nifty PSU Bank added 2.3% and Nifty Bank gained 0.7%. On the other hand, Nifty Media shed 5.3%, Nifty Auto fell 2%, Nifty FMCG and Energy dropped 1.7% each.

GLOBAL MARKETS

Asian share markets and oil prices slipped today as investors fretted about the economic fallout from fresh COVID-19 restrictions in China, with resulting risk aversion benefiting bonds and the dollar.

Beijing's most populous district urged residents to stay at home on Monday as the city's COVID case numbers rose, while at least one district in Guangzhou was locked down for five days.

Chinese blue chips fell 1.5% in early trade, dragging MSCI's broadest index of Asia-Pacific shares outside Japan down 1.3%. Japan's Nikkei eased 0.1% and South Korea lost 1.1%.

S&P 500 futures were down 0.4%, while Nasdaq futures slipped 0.3%. EUROSTOXX 50 futures lost 0.3% and FTSE futures 0.2%.

The US Thanksgiving holiday on Thursday combined with the distraction of the soccer World Cup could make for thin trading, while Black Friday sales will offer an insight into how consumers are faring and the outlook for retail stocks.

RUPEE, OIL & FIIs

Indian Rupee: The Indian rupee inched lower on Friday, extending its losses for the week, while rupee premiums slid to their lowest level in more than a decade.

The rupee declined to 81.6850 from 81.65 in the previous session, taking its losses for the week to 1.1%. The rupee fell each day this week, except for a slight uptick on Tuesday.

Crude Oil: Oil prices hovered near two-month lows on Monday as supply fears receded while concerns over China's fuel demand and rising interest rates weighed on prices.

Oil futures failed to find a floor after last week's drubbing saw Brent lose 9% and WTI roughly 10%. Brent shed 75 cents to \$86.87, while U.S. crude for January lost 59 cents to \$79.52 per barrel.

FPIs & DIIs: Foreign institutional investors (FIIs) bought equities worth Rs 349.2 crore of equities, while domestic institutional investors (DIIs) turned net buyers in this week as they bought equities worth of Rs 2,274.97 crore.

WEEK AHEAD

Trading could be volatile during the week as traders roll over positions in the F&O segment from the near month November series to December series. The November 2022 F&O contracts will expire on 24 November, 2022.

The movement of rupee against the dollar and crude oil prices will also dictate trend on the bourses in the near term. Investment by foreign portfolio investors (FPIs) and domestic institutional investors (DIIs) will be monitored. Volatility is likely to remain high amid the ongoing Russia-Ukraine crisis.

On the political front, Gujarat Assembly Elections will be closely watched. The elections will be held in two phases on December 1 and 5. The results will be declared on December 8.

Overseas, China will announce Loan Prime Rate for 1 year and 5 years on 21 November 2022.

The US Federal Reserve will release minutes of the last policy meeting on 24 November 2022.

The United States Durable Goods Orders for October will be declared on 23 November 2022. On the same day, the US New Home Sales for October will also be declared.

Source: Reuters, Capital Market, ET, BSE, BS

Mutual Fund investments are subject to market risks, read all scheme related documents carefully.

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